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STATEMENT FOR THE RECORD

"SAVING LIVES AND MONEY THROUGH THE PREDISASTER MITIGATION PROGRAM"

THE UNITED STATES HOUSE OF REPRESENTATIVES TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND EMERGENCY MANAGEMENT

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INTRODUCTION

Thank you Chairwoman Norton, Ranking Member Graves, and distinguished members of the Committee for allowing me the opportunity to provide you with a statement for the record on the Predisaster Mitigation Program. I am James Mullen, Chairman of the National Emergency Management Association's Mitigation Committee and Director of the Washington State Emergency Management Division. In my statement, I am representing the National Emergency Management Association (NEMA), whose members are the state emergency management directors in the states, the U.S. territories, and the District of Columbia. NEMA's members are responsible to their Governors for emergency preparedness, homeland security, mitigation, response, and recovery activities for natural, man-made, and terrorist caused disasters.

NEMA's Mitigation Committee and membership supported the creation of the Predisaster Mitigation (PDM) Program during consideration of the Disaster Mitigation Act of 2000 (DMA2K) (P.L. 106-390). NEMA remains a strong partner for the PDM program. PDM is just one in a pair of critical components in the tool-kit for state and local governments, particularly for emergency managers, in reducing the costs of disasters and reducing the loss of life. The PDM program works as the companion to the post-disaster Hazard Mitigation Grant Program (HMGP). PDM means that we don't have to wait until a disaster occurs to take mitigation actions, and the program broadens the nation's efforts both geographically and in terms of the hazards that may be addressed. While NEMA is supportive of the Predisaster Mitigation Program, we remain supportive of both

pre- and post-disaster mitigation. The Hazard Mitigation Grant Program (HMGP) must not be changed in order to ensure a balanced, holistic national mitigation program that includes both pre- and post-disaster mitigation. As the Congress considers the Predisaster Mitigation Program's reauthorization, adequate funding levels are needed to give the program the opportunity to demonstrate real value for the investments. NEMA supports the program's reauthorization and looks forward to working with Congress to improve the program.

Program Background

As the nation continues to recover from the 2004 and 2005 hurricane season and the numerous other disasters, mitigation opportunities are the key way to take advantage of lessons learned during disasters. DMA2K authorized a national disaster hazard mitigation program "to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters and to provide a source of predisaster hazard mitigation funding that will assist States and local governments in implementing effective hazard mitigation measures that are designed to ensure the continued functionality of critical services and facilities after a natural disaster." The title of the bill that authorizes the Predisaster Mitigation program is scheduled to sunset on September 30, 2008. Again, we ask for Congress to act on the reauthorization before the sunset, as any funds appropriated cannot be used after the sunset date. We believe that PDM is an important program and is making significant strides to mitigate against future disasters.

Before PDM was created, FEMA ran a demonstration or pilot program directly with several cities to educate on the value of mitigation before a disaster occurs. Before coming to my current position with the State of Washington, I served as the City of Seattle's Emergency Management Director and was intimately involved in working with Project Impact in a public/private partnership that addressed and identified mitigation needs and promoted corrective strategies. While our community readily bought into the concept, after the February 28, 2001 Nisqually earthquake, it was very clear to the city and to the nation that there was significant value in the program. Many of the actions taken to retrofit and seismically protect buildings were helpful in preventing further damage, most notably in the schools. We believe that these efforts saved the lives of school children in one school in particular. While Project Impact provided value, there was concern that the communities were not being chosen in coordination with the state emergency management agency, nor were the projects. PDM does allow for this coordination,

particularly with the State's required Hazard Mitigation Plan and identified projects.

NEMA initially sought for PDM to be a formula-based program in which every state had a chance to receive funding. A competitive program, as is current practice and proposed in Presidential budget requests and advocated by some members of Congress, severely limits the ability of smaller states, the territories, and those with less frequent disasters to apply for grants and receive grants. These states and territories may face scrutiny because their grant applications would not be viewed favorably against those from larger states experiencing more frequent events. There is a distinct possibility that the competitive approach means the end of mitigation funding in many states, territories, and local communities. Additionally, the costs of preparing the application and the various reviews are substantial and burdensome to smaller jurisdictions. Smaller communities do not have access to the resources and tools to help them articulate their risks with the same level of sophistication as larger well-funded jurisdictions. Predisaster mitigation must include all, since science cannot accurately predict where the next disaster may be or what kind of disaster may be faced. Attempting to prioritize limited predisaster mitigation funding on the national level is counter productive to the establishment of State and local planning, therefore NEMA supports the distribution of predisaster mitigation funds by a base plus population formula rather than by competitive grants. The competitive system as it is presently funded creates more losers than winners: in an enterprise that seeks to encourage communities to engage to protect themselves, it seems counterproductive to pit good programs against good programs when the objective is that predisaster mitigation programs be undertaken.

While NEMA has concerns about some aspects of the PDM program, we remain firm that the program's reauthorization is particularly important. PDM is a young program that is still evolving and FEMA's Mitigation Division has worked very closely with the state emergency management directors to listen to our input and position papers on the program, even when we do not always agree. Changes such as the $500,000 base for each state that began in FY 2007 have been a positive development as a result of our conversations and partnership with FEMA. FEMA regularly works with NEMA to give states the chance to serve on the peer review teams as well, which allows states to gain more expertise on the process and how grant applications are reviewed. Still, we would like a longer rolling application window to allow states and communities to begin applications even before funding is available because priority lists are based on the state plans already in place.

More technical assistance to enable states and communities to have fewer costs before receiving the grants would assist with costly environmental and historical impact reviews.

Examples of PDM in Action

PDM, per its purpose as defined by Congress in the DMA2K, is enabling a larger number of communities throughout the nation than ever before to better understand their vulnerability to various natural hazards and to identify projects to reduce those vulnerabilities. Thanks in large part to PDM funding, about 85 percent of the 6.5 million people who live in the State of Washington live in communities that have developed hazard mitigation plans envisioned by DMA2K and funded in large part by PDM grants.

PDM allows communities to obtain funds for larger projects than many states can provide through HMGP alone. I want to share with you just two key examples from Washington State that illustrate the importance of this program.

Edmonds, WA, School District obtained a $3 million PDM grant in 2005 to help it retrofit nine of its schools from earthquakes. The total project price is $8 million and the project will be completed in the coming months. This project is important because the school district sits at the south end of the South Whidbey Island Fault, which scientists now tell us is the most dangerous earthquake fault in the state. The largest project the State of Washington anticipates funding through HMGP in the next few years is $1.5 million.

Washington State University, the state's land grant university, received PDM funding in 2005 to develop a hazard mitigation plan for the main campus in Pullman, two branch campuses in Vancouver and the Tri-Cities area, and more than two dozen other research and extension facilities scattered throughout the state. This plan just received pre-approval status from FEMA and currently is awaiting adoption by the university's Board of Regents.

Unlike in other states, the State of Washington has found that PDM benefits both large and small communities. Example: City of Kalama, population 2,100, received a $175,000 PDM grant in 2005 that helped fund a project to reduce flooding in its downtown area. The project received its first test in last December's flood disaster, and worked beautifully. Additionally, a new project funded by a 2007 PDM grant is helping the Town of Hamilton, population 330, to purchase homes in the Skagit River floodway and move their occupants out of harm's way.

The town just completed purchase of three of the five homes targeted in the project.

Following the devastating effects of Hurricane Isabel during the fall of 2003, the *Commonwealth of Virginia* welcomed an early FY 2004 Predisaster Mitigation Grant Program funding opportunity to develop Disaster Resistant University (DRU) plans. Proposals were submitted for five state universities: Virginia Tech, Virginia State, Radford, George Mason and Old Dominion University. Three were selected through this nationally competitive process, but funding through HMGP and PDM FY 2005 was obtained for the other two. While it is often said by the Virginia Hazard Mitigation Program Manager that university planning is critical since universities not only represent a microcosm of society, they concentrate populations of citizens, students, business enterprises, critical research and often medical institutions. Yet, each of the original five Virginia DRUs was unique and the three that have followed are different as well-varied university missions, programs, campuses, hazards, vulnerabilities, challenges and priorities. For example, the University of Virginia and the Virginia Commonwealth University are home to medical centers that host critical medical schools and Level I trauma centers; George Mason University, in the heart of the National Capital Region, is home to numerous secure databases; Thomas Jefferson's Academical Village and Rotunda at UVA is a World Heritage Site; and the University of Mary Washington's James Monroe Museum hosts a collection of more than 10,000 rare documents. The list is endless, as it is across the nation.

On April 16, 2007 the world became very small as a tragedy unfolded at Virginia Tech. It will never be fully known if tragedy could have been prevented, but elements of building analysis for traditional natural hazards and accidents familiar to campuses such as building fire or chemical spill can lead to system redundancy and protection again crime, terrorism and broader categories of accidents. As DRU development and plan implementation continues throughout the Commonwealth, lessons learned on eight DRU campuses will extend to other state colleges and universities as well as cities, counties and towns. It is notable that this effort began through Predisaster Mitigation funding, which has supported the development of five of the eight Virginia DRU Plans.

Investments in Predisaster Mitigation

The President's budget proposal includes $75 million in funding for the Predisaster Mitigation Program. The funding level is a $39 million decrease compared to FY 2008 funding levels. Additionally, the program contained significant earmarks in

FY 2008, thus reducing the amount available for state and local governments to openly apply to be considered for the grants. The program funding is sorely under the total national need, especially with the original intent of the law to provide each state with a portion of funding so lessons learned from disasters could be taken advantage of by all states. Each year, FEMA typically receives requests for grants averaging over $450 million. When the program was proposed for the first time in FY 2003, the President proposed $300 million annually. The FY 2003 figure was derived by taking a decade of mitigation opportunities annual averages, but took out the large disaster spikes such as Hurricane Andrew and the North Ridge and Loma Prieta earthquakes.

While federal costs towards disasters remain a concern, significant commitments must be made towards both predisaster and post-disaster mitigation in order to lower overall disaster costs in the long run. With such low levels of funding, the predisaster mitigation program has never been fully able to address the intent of DMA2K. In 2005, the Multi-Hazard Mitigation Council published a study that found that every $1 FEMA invested into mitigation projects saves society approximately $4. The same study also showed that every dollar spent on hazard mitigation saved the federal treasury $3.65 in post-disaster relief and increased federal tax revenues. These findings are vitally important to knowing that federal investments are getting a strong return, as well as the 25 percent cost share that state and local governments contribute to the PDM grants upon award.

FEMA examined losses avoided in three communities in the State of Washington hit by our two most recent flood disasters in November 2006 and December 2007. In those communities, a senior citizen mobile home park in the City of Sumner, and neighborhoods in the City of Snoqualmie and the City of Centralia, homes were elevated with FEMA mitigation funds following floods in the mid 1990s. The loss avoidance studies showed that the elevation of 14 mobile homes in the Rainier Manor community saved more than $960,000 in damages that otherwise would have occurred had the structures not been elevated; the elevation of 28 homes in the City of Snoqualmie saved more than $1.6 million in damage, which is $300,000 more than the homes cost to elevate; and the owners of 35 elevated homes in the City of Centralia avoided more than $1.9 million in damage in what the US Geological Survey called a 500-year flood event in December 2007. The point is, regardless of the funding source, mitigation saves homeowners the pain and suffering of having to clean up after a disaster, and saves taxpayers and insurance companies the cost of helping individuals, families, and their communities rebuild.

Predisaster mitigation programs and initiatives have proven their value in not only saving lives and property in recent disasters, but have also in many cases negated the need for any emergency response and recovery. The key to the value of the programs is that predisaster mitigation is coordinated through the Governors and the state and local hazard mitigation plan as required by DMA2K. The program addresses the unique areas of greatest need to prepare for and reduce the overall costs of a disaster event. These are not ad-hoc pet projects, but valued projects that meet the benefits-cost analysis and other reviews proving their worth to a community.

Conclusion

Congress has continued support for PDM by reauthorizing the program three times. We must continue to build national preparedness efforts with a multi-hazard approach aimed at reducing lives lost and damages to property. We ask that Congress ensure that the PDM authorization does not expire and that a strong reauthorization is passed this summer. We also ask you to recognize the importance of adequately funding the PDM program to have the ability for all states to utilize mitigation before a disaster occurs. I thank you for the opportunity to testify on behalf of NEMA and appreciate your partnership.